



Using a Basic Ordering Agreement to Place Utility Energy Services Contracts

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What is a Basic Ordering Agreement?

A Basic Ordering Agreement (BOA) is a written instrument of understanding, negotiated between an agency and a contractor

It contains:

- terms and clauses applying to future contracts (orders) between the parties during its term.
- a description of supplies or services to be provided, and methods of pricing, issuing, and delivering future orders.

Governing regulation is FAR Part 16.703

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When to Use a BOA

- May be used to **expedite contracting** when uncertain requirements for supplies or services are not known, but a substantial number of requirements is anticipated.
- **Reduces ordering time** for services and reduces negotiation time on the individual orders by presetting basic terms and conditions



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What a BOA is not

- It is not a contract
- It is not an Indefinite Deliver, Indefinite Quantity vehicle
- It does not obligate funds

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UESC Applications of BOAs

Use #1: As an ordering vehicle put in place between GSA and a utility for any agency to use

- Under this use, the BOA serves a similar function as an AWC -- it offers a vehicle for agencies to use to contract under for utility energy services.
 - Example: Hawaii Electric Company BOA with GSA

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UESC Applications of BOAs

Use #2: An agency (with authority to contract with utility) puts in place with the Utility for all of that agency's facilities in the utility service territory.

- The UESC model agreement could be used as a template for this use.
 - Example: Navy does this regularly

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UESC Applications of BOAs

Use #3: A site puts in place with its utility to serve as a master agreement for all future orders at that site.

- The UESC model agreement could be used as a template for this use.
- Includes more site parameters than an agency-wide BOA.
 - Example: Many master agreements are set up this way.

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The Bottom Line...

- A BOA is an ordering vehicle. Either GSA can put it in place for all agencies to use or an agency can put it in place.
- A BOA can reduce transaction time if you plan on placing multiple orders
- A BOA is not a contract; no funding obligation is included.

